

The revolt of the 'squeezed middle'

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Document Version

Peer reviewed version

Citation for published version (Harvard):

Antonucci, L 2017, 'The revolt of the 'squeezed middle', *Renewal*, vol. 25, no. 3-4.
<<http://www.renewal.org.uk/articles/the-revolt-of-the-squeezed-middle>>

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Checked for eligibility: 11/07/2019

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The revolt of the 'squeezed middle': why new cross-society coalitions in British politics are now possible

Since the Brexit referendum, cultural and identity explanations for the polarisation of British society have saturated public debate. A comparison between students' and Brexit voters' attitudes to economic insecurity, however, reveals surprising similarities between these supposedly opposing groups. Reforms to higher education and the welfare state could be the key to winning a governing majority for Labour.

Two – somewhat contradictory – trends have characterised British politics after Brexit. The result of the referendum vote sparked the resurgence of class analysis and a renewed interest in working-class politics. After the surprisingly positive performance of Jeremy Corbyn in the June 2017 general election, public attention has turned to a new category of voters who appear crucial for progressive politics: young people and, in particular, students.

Often portrayed as obnoxious and superficial (see the Channel 4 documentary *The Secret Life of Students*), in recent years students have been very receptive to progressive proposals and have become the mobilising political force behind Corbynism and Momentum. In an unexpected twist, the Conservative Party has started to court the youth vote and look for student-friendly policies, witnessed in Theresa May's recent pledges to freeze tuition fees at £9,250 and revise pay-back criteria for student loans. May's proposals are obviously a very modest response to the idea of removing loans altogether. It is telling, however, that in less than a year the Conservatives' priorities have shifted from winning back working-class support after the apparently 'anti-elite' protest vote of Brexit to re-engaging comparatively well-educated young voters.

According to the common narrative that emerged after Brexit, these groups of people – working-class communities and young students – could not be more different. A polarised view of society has emerged since the referendum, which understands Brexit as an anti-Establishment backlash by working-class communities who have been 'globalisation losers'. The experiences of these communities, according to this narrative, are in direct opposition to those of educated young people at university – the 'globalisation winners' – who mostly backed Remain. The Brexit vote has been interpreted largely as a resurgence of traditional class politics, in a U-turn from the post-class vision of society put forward by New Labour. The result of the 2017 general election added a layer of complication to this narrative. The many students in UK higher education (the 'product' of New Labour's strategy to expand higher education) have in fact shown *more* support for Corbyn's progressive manifesto than disenfranchised working-class voters. Those who are familiar with student politics were hardly surprised by this. In recent years, students have been at the forefront of anti-austerity movements around Europe, and the student protests of 2010 mobilised thousands across the UK. Since then, the dramatic increase of fees and withdrawal of funding grants have catalysed pre-existing discontent, ripening this group for political engagement by the Left.

The opposition between Brexit voters and students, moreover, is largely superficial. In order to capture the *zeitgeist* of British politics, we need to look beyond identity debates over globalisation ‘winners’ and ‘losers’ and instead focus on people’s material conditions. Brexit voters *and* students in fact share a common trait: a diminishing of material conditions and enhanced precarity emblematic of a ‘squeezed middle’. Significant sections of the British population are now victims of the mismatch between the assumptions of established political strategies and their everyday lives.

In order to explain – and resolve – the apparent contradictions between the ‘left-behind’ working class and the student precariat, I will provide a new narrative, which unfolds in three acts. The first concerns Brexit and who voted for it. The second explores the material reasons behind the student politics that emerged during the general election. The third contains some ideas on how to bridge the dislocation between elite-level policies and the lives of ordinary people, focusing on two areas that are at the heart of post-New Labour policymaking, namely the labour market and higher education.

First act, Brexit: the uneducated left-behind vs. the educated middle-class?

In the aftermath of the UK’s referendum on its membership of the EU, there have been repeated attempts to clarify who Leave voters actually were. Brexit has been interpreted as symbolic of an epochal shift towards anti-establishment politics. Indeed, initial interpretations of the Brexit vote depicted Leave voters as marginalised segments – in educational and economic terms – of society, who channelled their dislocation through the referendum.ⁱ The popular view remains that Brexit was the unified response of a specific social class, namely the working class, which finally found a voice.ⁱⁱ

A deeper look at who voted for Brexit suggests that evidence for this view is less clear-cut than originally assumed. Swales’s rigorous analysis shows that the profile of the Brexit voter is far more heterogeneous than initially thought, and much more diverse than the conventional image of the ‘left behind’ working class. As well as people with little education and status, the Leave vote also comprised an element with high educational histories and solidly ‘middle-class’ jobs.ⁱⁱⁱ Indeed, the popularity of Brexit among middle-class communities has begun to receive popular press attention^{iv}. How can we make sense of this apparent contradiction?

Certainly, there are profound socioeconomic processes associated with Brexit, in particular in relation to the effect of austerity.^v Unconvinced by the straightforward dichotomies used until now to explain Brexit, we ran a new study that highlighted the significance to Brexit of an ‘intermediate class’, whose experiences actually more closely resemble those of ‘ordinary Brits’.^{vi} This class enjoys intermediate/upper-intermediate levels of education, stable jobs and median levels of income. However, its earning power and social position is rapidly declining, and its members face an increasing challenge in maintaining their lifestyle. In her analysis of Trumpism^{vii}, Joan Williams has stressed that debates around working-class populism take as their focus what is actually an

impoverished middle class, rather than the lowest strata of the poor and the left behind. So too we must understand this intermediary sociological grouping if we are to comprehend contemporary British politics.

The idea of a 'squeezed middle' is highly useful in analysing the meanings of education, perceived changes in personal finances, feelings about the future, and income and class identification. Our findings confirmed a negative relationship between education and voting Leave: in general terms, the higher the level of education, the lower the predicted proportion of Leave voters. The findings rejected, however, the dichotomous view of the low-educated Brexiteer vs. the high-educated Remainer. Indeed, they showed that the Leave vote was not more popular among the low skilled, but was actually more prevalent among individuals with intermediate levels of education (A levels and high GCSE grades), in particular when their socioeconomic position was perceived to be declining and/or stagnant. Our study confirmed previous reports' findings that higher income was linked to the Remain vote. However, we found that only the top quantile – the richest respondents – slanted significantly to Remain.

Our analysis also shed light on the psychosocial profile of Brexit voters, often stereotyped as indignant and belligerent. Our analysis rejected this image and also problematized the idea that Brexiteers have particular animating concerns. Voting Leave was associated with a feeling that what one is doing in life is not worthwhile, as well as feeling that one's life has become complicated. We also found a correlation between feeling left out and voting Leave, but only among those who saw themselves as having recently experienced worsening financial conditions. Overall, our findings point to particular dynamics experienced by a broad squeezed middle rather than the presence of a crystallised left-behind group that is angry at having been excluded for a long period.

Looking at class first, we found Leave voters associated themselves with either the designation of 'middle-class' or the more neutral 'no class' identification, but found no evidence linking a Brexit vote to a sense of working-class sentiment. Our analysis does not deny the popularity of the Leave vote among working-class communities, but shows that the Leave vote is far from being the expression of a self-conscious working-class vote, as several commentators assume. It also confirms that middle-class support was incredibly significant to the outcome of the referendum and supports the idea, initially formulated by Dorling, that the middle class may well have been the predominant group in favour of Brexit.^{viii} Evans and Tilley show that working-class people have constituted a declining percentage of total voters in absolute numbers since the 1970s. A New Middle Class has emerged in the post-industrial economy, a novel strata which nonetheless demonstrates interesting commonalities with the old working class.^{ix} If Brexit did appeal to globalisation's 'losers', as many have argued, we need to also consider that those who have 'lost' comprises more than traditionally marginalised segments of the population and the old working class.

Our findings are even more relevant if we consider that, in general terms, most people self-identify as working class, even when they hold middle-class jobs – a process called the 'working class of the mind'.^x Working-class identity is built

around a mythological vision of the past and is rooted in shared consumption habits and tastes. An acrobatic inference is frequently made on the material conditions of this category of people, who might share cultural traits. This confusion has already produced a number of intellectual paradoxes, which have become increasingly popular in the British media. David Goodhart, an Eton-educated journalist who supported New Labour for many years, has proposed a new post-liberal vision of British society. According to Goodhart, cleavages in British society have emerged between the ordinary British people who have rooted identities (the 'Somewheres'), and a cosmopolitan, globe-trotting strata of university-educated individuals (the 'Anywheres'). Goodhart believes that New Labour 's great failure was supporting the agendas of the Anywheres – not least by promoting mass higher education – instead of listening to the needs of Somewheres.

The divisions highlighted by our study had little to do with cultural identifications and more to do with subjective, emotional feelings about perceived declining material circumstances. These 'feelings' are not exclusive to poor segments of the population and marginalised communities, but are part of a more generalised sense of dissatisfaction in British society. We are yet to understand if the perceived declining economic position (and attached malaise) of Brexiteers is rooted in a fear of *future* crisis, or in already experienced material changes. Certainly, it is not hard to see how the sense of dissatisfaction expressed by Brexit voters may be derived from the liberal economic policies once favoured by (former) New Labour supporters such as Goodhart.^{xi} Progressive thought since the 1990s has centred on job creation at the price of wage negotiation, redistribution and improving working conditions. Precarity in the broader, structural sense (including things like employer–employee relations, the availability of similar jobs in the labour market and in-work benefits), should be a major line of inquiry for explaining the social malaise underlying Brexit.

The sense of dissatisfaction with the system identified by our study, and which can be found in very different social groups, reflects their increasingly similar material conditions. In this context, new cross-class coalitions are possible between the traditional working class and the squeezed middle. Before moving on to discuss how this can be transformed into support for progressive politics, let me clarify how young people and, in particular, students fit into the narrative of the squeezed middle.

Second act, the general election: the socioeconomic foundation of student progressivism

Those who consider students as 'middle-class' were surprised about their enthusiasm for Jeremy Corbyn and the 2017 Labour manifesto. In light of this, some of the common assumptions about class and education in British society need to be revised. The idea that higher education is a path trodden solely by the well-off and the privileged is still widespread. The view that higher forms of education automatically create social mobility is also persistent.

British higher education policies are based on some fundamental assumptions. These were developed in the 1990s, but have since moved further and further away from the reality of young people's lives in university. Firstly, social justice in higher education (HE) is mostly measured by looking at access to HE, in particular for young people from less privileged backgrounds. Secondly, while widening participation has been encouraged, policies have also established the idea of framing HE as an individual investment embarked upon by young people and their families (through fees, loans and family contributions). This has made English HE more like the individualised system of funding that is present in the US.

While the number of young people from lower socioeconomic backgrounds entering HE is still lower, relatively speaking, there are now – in absolute terms – more working-class young people in university than ever before. In general, British higher education – in particular since the expansion of HE, with polytechnics becoming universities from 1992 onwards – has never been so heterogeneous. Make no mistake: this does not mean that UK higher education has become automatically more equal. On the contrary, UK higher education has never been more *unequal*. Apart from the huge institutional differences, as I show in my book *Student Lives in Crisis*, young people's experiences in higher education are extremely stratified. British students in higher education have to face a number of material struggles that are very common amongst ordinary Brits: a negative position in the housing market (with 'extortionate rents' being charged to students, as one of my interviewees commented); and a precarity of employment, with students being over-represented amongst workers on zero-hours contracts.^{xii}

Clear patterns of inequality emerge among students, depending on the resources of their families. The *means-tested* and *insufficient* structure of support in England means that it is assumed that young people will supplement state assistance with personal funding. My research highlights how profound the mismatch is between what is demanded from families and what families can effectively afford to give to young people. This often derives from an incorrect analysis of families' financial positions (neglecting the role of personal debt and of family wealth instead of family income) and other factors (loss of a job, downturn in the earning capacity of the household, or divorce seeing the loss of a waged member of the family). The published data from the Student Income and Expenditure survey, which compared student income in 2008 and 2012, confirm that the economic crisis has exacerbated these trends.

This dependence on family support reinforces existing inequalities. Many students, those lacking family support, often live with their parents in order to save on housing costs and use their grants or loans to support their families. When family resources are not sufficient – as is often the case – students find employment in unskilled and/or precarious positions. This issue particularly affects independent students (students living in independent housing and without family support), who, due to a lack of family support, *need* to work to complement the insufficient resources provided by the state. Given this dependence on labour-market sources of income, the financial struggles of this

set of young people (which often leads to having to give up basic needs, such as food and sleep) are precisely linked to the precarity of labour-market income. The experiences of these students mirror the struggles faced by American students, as illustrated in Sara Goldrick-Rab's *Paying the Price*.^{xiii}

We can also identify another group of young people, those from families of the so-called 'squeezed middle' mentioned above. These families mobilise their income (and sometimes their wealth) to support their children's investments in higher education. This over-reliance on family support can create a sense of guilt, friction with parents and a constraining feeling of 'reciprocity' among young people. Students from lower, but also intermediate, socioeconomic backgrounds are particularly affected by well-being issues related to over-reliance on their family, arising not only from having to depend on familial assistance, but also from a subsequent expectation that social mobility is a given.

This leaves only a small group from wealthier backgrounds who are enjoying a positive and satisfying experience of higher education. This group is composed of young people who have abundant family resources, both in terms of earning power and inherited wealth. While there is much discussion on how cultural capital reinforces inequality, disparity in material resources represents the main trigger of inequality among young people at university. In HE, students from the families of both the squeezed middle and from working-class backgrounds now face material struggles, and, it is therefore not surprising that reforming higher education in a way that limits the level of personal investments required by students and their families speaks to the majority of students.

Inequality in higher education can be seen as yet another application of Piketty's theory of inequality: class inequalities emerge when young people mobilise the pool of intergenerational resources accumulated by families (wealth) in the form of savings, housing or other financial assets. In other words, for students, as for Brexit voters, the issue appears to be the declining material conditions affecting more ample segments of the population, and not only the 'left-behind' traditional working class.

Third act: new policies for the declining middle

If, as shown, Brexit voters and educated young people share the same concerns around declining material conditions, the Left may be able to create new coalitions that speak to the broadly defined declining middle. One way to do so is to address some of the mismatches between government policies and people's everyday lives. Much of the originality of the Corbyn agenda stems from the new way of talking about and doing politics, and a reciprocal enthusiasm shown by activists to a leader who speaks to these concerns. Nonetheless, in contradiction to the bottom-up nature of Corbynism, Labour's policy team have largely focussed on macro-issues and economic planning. Labour needs to build on this, by further rethinking how policies can be reformed to respond to people's day-to-day experiences of inequality.

The 2017 Labour manifesto offered a reformist vision that operates within the boundaries of a certain vision of the economy established since New Labour: the UK as a knowledge-based economy with a relatively flexible labour market. The state contributes, but individuals are also asked to invest personally in the system. While Corbyn's agenda is perceived as a radical shift from previous Labour policies, it missed the chance to build a cross-class coalition embracing the needs of the 'working class' and the 'squeezed middle' by tackling some of their core concerns. The focus on macro-economic planning has left untapped the potential of social policy reforms in catalysing political support and creating new cross-society coalitions – something that New Labour policies were able to do. The focus should now shift, therefore, towards policy interventions that can address the needs of the declining middle, and the already stagnant position of those at the bottom, in both labour-market and higher-education policies..

Precarity and the labour market

In the area of work, the Labour manifesto follows the tradition of British employment policies, offering 'dignity for those who cannot work' and 'a fair deal' for those who can and do—statements which aim to increase protective workplace legislation. These proposals reflect an 'insider-outsider' vision of the labour market and neglect to offer 'mid-sider' protection for those who do work, and yet who are increasingly suffering whilst doing so – a social protection that is truly for the majority, not for the few. While precarious contracts are not a majority issue, there is an ample diffusion of various forms of precariousness at work, and this needs to be addressed.

Dialogue with employers should focus not just on regulatory procedures, but also on creating sustainable and updated forms of labour-market protection through cash transfers and social provisions that counterbalance in-work precarity. This also means asking employers to assume part of the risks and costs of employment in the form of social contributions. If the UK labour market protection system offers social assistance for the few, a modern form of labour-market protection would consist of setting up a system of contributions accumulated at work that can be transferred across sectors in line with the new forms of labour market mobility.

Labour should also offer flexible forms of labour market protection, such as a contemporary version of the German *kasse* (a 'scheme' aimed at pooling resources from employers and workers) for precarious workers to cover short-term spells of unemployment and transitions from education to work. These forms of labour market protection would be aimed at those in work and on temporary contracts who face spells of unemployment and irregular patterns of income.

Higher education and student support

Despite having attracted much criticism, the Labour manifesto is quite direct on university tuition fees, stating: "University tuition is free in many northern

European countries, and under a Labour government it will be free here too.” The position on loans and grants is, however, much less clear. The manifesto proposes to “reintroduce maintenance grants for university students”, and pledges to ‘abolish university tuition fees’. When it comes to student lives and student support, nonetheless, the devil is in the detail – namely on how fees, loans and grants are combined.

The reintroduction of maintenance grants could simply turn the clock back to just over a year ago, when grants were available, but only for low-income students. The means-tested grants that were in place did very little to address inequality in HE. A truly transformative move would be to implement a Nordic system of student support, where the absence of tuition fees is accompanied by a generous and (above all) universal system of grants (and loans). In this system, grants would be guaranteed to all students, regardless of parental income. This move would be a radical departure from the British system of HE, which is based on individual investment.

But even if such radical reform seems impossible, are there any pragmatic policies that could be implemented in the short-term? The proposal of removing tuition fees (something that is already happening in Scotland, not just in Nordic countries) touches on a crucial issue afflicting students (and, of course, their families, as I have stressed above): student debt. We need to remember that student debt has been soaring not just to cover tuition fees, but also to face the increasing costs of life that students face. According to student income data, most of students’ income is spent on housing. Paradoxically, publicly subsidised loans are being taken out to be put directly into the pockets of private landlords, inflating the cost of local housing at the expense of non-students. UK higher education is not a poorly funded sector: it is an incredibly profitable business for private providers. It is also a sector with very little redistribution of resources operated by the state, which has left the profits of higher education to private actors, namely student housing companies and landlords. Direct provision of housing by universities or by providers controlled by the state would reduce public spending, redistribute the existing resources and indirectly keep housing costs under control. State-controlled accommodation is a better option than the housing cap proposed during the last Labour conference: it would offer an indirect cap on housing in the local area and would save public money.

Student lives involve significant contradictions, and students without private means often find themselves trapped in cycles of precarious work in order to afford higher education. Regulation of work during HE studies is one option, but an even better solution would be to raise both access to and the level of grants, so that students have enough resources to protect themselves from entering into zero-hours contracts. As I argued in *Student Lives in Crisis*, the Left might also consider the creation of a Student Basic Income scheme, given the current popularity of universal basic income. This solution would, indirectly, also have a positive effect on the squeezed middle families who struggle to face the increasing costs of HE for their kids.

Conclusion

Analysis of the events that have unfolded after the Brexit vote has mostly revolved around cultural explanations of inequality in the British society. These portrayals have presented a Britain that is divided in dichotomous categories: the working vs the middle classes, the un-educated vs university students.

But the revolt of a socially excluded and 'left behind' working class cannot fully explain the Brexit vote. A perceived decline in living conditions felt by large parts of the British population fed into majority support for Brexit. Similarly, a sense that the status quo was regressive also fuelled student activism during the 2017 general election – despite the fact that these students, at least culturally, seem starkly opposed to their fellow anti-Establishment Brexit voters.. This apparent contradiction can only be solved by replacing the current narrative of UK politics with a new understanding of social divisions in the British society. I have argued here that one of the most striking features of contemporary British society is widespread discontent, due to declining *material conditions* of the middle-class – or 'ordinary' British – citizen. The increasing similarities between intermediate groups and those at the bottom should drive a re-think of policies and politics. Rather than representing two sides of the fence, the discontent of students and the malaise of the middle classes are part of the same struggle of ordinary British families that have to face an increasing cost of living by relying on the support of family members and by working in jobs that are increasingly precarious.

Labour has probably won the moral case against the current state of affairs in the UK, mobilising public discontent against the present government. What Labour is currently missing is, however, a way to translate the widespread malaise in British society into majoritarian political support. This can only happen by adding a focus on social policies to Labour's current pre-occupation with macro-economic issues, bargaining and planning. A fine-tuned policy strategy that responds directly to the lived experience of falling living standards would greatly assist Labour in its search for a political majority.

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Endnotes

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